CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

APRIL 3, 2007

INVOCATION:
Pastor Brian Parcel of First United Methodist Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Zacarías lead the pledge of allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Director of Administrative Services Snodgrass, Fire Chief Ortiz, Director of Utilities Sweet, Director of Public Works/City Engineer Whitehead, Director of Recreation and Parks Posada, Police Lieutenant Green, Advance Planner Smith, Utilities Engineer Hagemann, and Chief Deputy City Clerk Perez.

COMMENDATION FOR ANN BATTERSON
Councilmember Patino read Resolution 2007-28 commending and honoring Ann Batterson for her devoted service to the City and the community as a member of the Recreation and Parks Commission. This resolution was adopted at the last meeting; however, Ann Batterson was not present to receive it.

Councilmember Patino presented the resolution to Ann Batterson, who thanked the Council.

COMMENDATION FOR LAWNAE HUNTER
Councilmember Trujillo read Resolution No. 2007-42 commending and honoring Lawnae Hunter for her service to the City and the community as a member of the Planning Commission.

Resolution No. 2007-42 was adopted commending Lawnae Hunter on motion by Councilmember Trujillo, seconded by Councilmember Orach, and carried on the following vote:

AYES:	Councilmembers Orach, Patino, Trujillo, Zacarías and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution No. 2007-42 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, COMMENDING SANTA MARIA PLANNING COMMISSIONER LAWNAE HUNTER FOR FOUR YEARS OF OUTSTANDING SERVICE TO THE CITY OF SANTA MARIA.

Councilmember Trujillo presented the resolution to Lawnae Hunter, who thanked the Council.

COMMENDATION FOR CLARA CHAMBERS
Mayor Lavagnino read a proclamation commending Clara Chambers for her devoted service to the community. Mayor Lavagnino presented the proclamation to her.

PROCLAMATION – FAIR HOUSING MONTH
Councilmember Zacarías read a proclamation declaring the month of April 2007 as Fair Housing Month in the City of Santa Maria and expressing the hope that this observance will assist in the continuance of equal housing opportunities for all citizens of Santa Maria. The proclamation was accepted by Richard Korbel of the Legal Aid Foundation.

PROCLAMATION – EARTHQUAKE PREPAREDNESS MONTH
Councilmember Orach read a proclamation declaring the month of April 2007 as Earthquake Preparedness Month in the City of Santa Maria and encouraging all Santa Marians to seek out earthquake preparedness information from their local American Red Cross Chapter or their local fire department. The proclamation was accepted by Shane Gidlund, Santa Maria Fire Inspector.

PROCLAMATION – NATIONAL COMMUNITY DEVELOPMENT WEEK
Councilmember Patino read a proclamation declaring the week of April 9 to 15, 2007, as National Community Development Week in the City of Santa Maria and encouraging members of the public to promote responsible development of the community for the benefit of all Santa Marians. The proclamation was accepted by Roxanne Ventriglia, Chairperson of the Block Grants Advisory Committee.

PUBLIC COMMENT
Pedro Paez spoke about the need for low-income housing and asked the Council to do something to get more low-income housing for the community.

Bridget Haist spoke about the recent death of her father who had been trying for over a year to obtain subsidized housing because his illness had depleted all their resources. She asked for assistance for her mother so her mother's housing needs would be taken care of.

CONSENT CALENDAR
Consent Calendar Items A through E were approved on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar are adopted by the same vote cast at the first reading unless City Council indicates otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of March 20, 2007, were approved as submitted.

C. WARRANTS
Warrant Nos. 133432 to 133720 in the amount of $1,538,260.40 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 127750, 133144, 1311526 and 133502 were canceled.

D. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

E. ORDINANCE NO. 2007-04
Council conducted the second reading of Ordinance No. 2007-04 rezoning 2.89 acres to PD/R-3 (Planned Development/High Density Residential) for the McClelland Mixed-Use

Project located at the northwest corner of South McClelland Street and Inger Drive, Assessor's Parcel No. 128-084-001, and adopted the ordinance.

Ordinance No. 2007-04 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, REZONING PROPERTY FOR MCCLELLAND PROPERTY INVESTMENT I, LLC – MCCLELLAND MIXED-USE PROJECT, GPZ-2005-002, FOR PROPERTY LOCATED ON THE NORTHWEST CORNER OF SOUTH MCCLELLAND STREET AND INGER DRIVE, ASSESSOR'S PARCEL NUMBER 128-084-001, 2.89 ACRES.

2007/08 ALLOCATIONS FOR CDBG AND HOME FUNDS

Grants Administrator Coelho-Hudson gave the staff report. The Federal Community Development Block Grant (CDBG) Program, a program that provides state and local governments with funds to address a variety of complex physical, economic and social needs in the community, has been in existence for over 30 years. The program is very flexible and allows local discretion as to how the funds may be used provided the specific activities meet one of the three national objectives: to primarily benefit low and moderate income persons; to prevent or eliminate slums or blight; or to meet a particularly urgent community-wide need, such as caused by a major catastrophic event. For fiscal year 2007-08, the City anticipates receiving $1,303,851 in CDBG entitlement funds and $60,000 in program income under its revolving loan fund programs. Of these amounts, $195,578 will be available for public service and $847,503 will be available for capital development projects. As part of a consortium with the County, the City will be eligible for $377,748 in HOME Investment Partnerships Program funds.

This year's allocations process includes the development of an Annual Action Plan. The Block Grants Advisory Committee oversees the process that involves an assessment of the needs in the community, the recommendation of funding priorities, the review of funding applications, and the recommendation of allocations. A community needs workshop was conducted on September 11, 2006. After reviewing the information presented at the workshops as well as demographic data and the results of last year's extensive needs assessment survey, the Advisory Committee readopted the same priorities from fiscal year 2006-07 to be used for fiscal year 2007-08. For the fifth consecutive year, the Advisory Committee divided into five teams of three committee members each and conducted an in-depth review and on-site visits of all the applications received for funding. A special Advisory Committee meeting was held on March 15, 2007, at which time each team reported the findings of their site visits, and the Committee formulated its recommendation for City Council approval. The Committee evaluated and ranked the proposals by applying the adopted priorities as an overlay to the Federal Guidelines for Eligibility and the Additional City Criteria for CDBG Public Service Funding. Since the priorities and available funding are the same as last year, the Advisory Committee first recommended funding to those projects and programs already funded at the same level as last year. These were all #1 "high" priority projects or programs with the exception of the City's Families for the First Decade Project and the Council on Alcoholism and Drug Abuse/Teen Court. Concerning the capital development proposals, since there was only $847,503 available and $2,049,547 requested, only the "high" priority projects were recommended for funding.

A letter was received from David Ericson regarding the proposed allocations and the need for additional funding for the new library and the Tenant Based Rental Program.

Mayor Lavagnino opened the public hearing.

Capital Projects

Mayor Lavagnino indicated he would have to recuse himself from the Marian Medical Center portion of this item because he was formerly associated with the Marian Foundation Board, although he did not have any financial interest. He suggested the Council act on the remaining items and take the Marian Medical Center recommendation separately.

Sylvia Barnard, Good Samaritan Shelter, Inc., thanked the Council and the Block Grants Advisory Committee for their continued support of the Good Samaritan Shelter. She said they were very excited about the Case De Familia Apartment project and appreciated the Committee's recommendation for funding the project.

Julie Jensen, Domestic Violence Solutions, thanked the Block Grants Advisory Committee for recommending $200,000 in funding for the Mariposa House Apartment Renovation. She explained what the Mariposa House was and the services provided. She thanked the Council for its support.

Lori Rai, Women's Economic Ventures, talked about their program and asked the Council to reconsider the Committee's recommendation and grant them the $30,000 in funding they had requested.

Councilmember Zacarías stated she was surprised to see the request from the Women's Economic Ventures in the Capital Development projects allocations.

Grants Administrator Coelho-Hudson explained that there was a specific category in the regulations for micro-economic development.

Resolution No. 2007-43 was adopted on motion by Councilmember Trujillo, seconded by Councilmember Patino, and carried on the following vote:

AYES:	Councilmembers Orach, Patino, Trujillo, Zacarías and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

awarding funding to the following:

Domestic Violence Solutions for Santa Barbara County	$200,000
Good Samaritan Shelter, Inc. / Casa De Familia Apartments	$297,503
VTC Enterprises / Resource & Office Building	$100,000
Residential Rehabilitation (Loan Program Income)	$ 60,000
General Administration	$260,770

Resolution No. 2007-43 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE CAPITAL DEVELOPMENT ACTIVITIES UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2007-2008 FEDERAL FUNDING.

At this time Mayor Lavagnino left the room. Mayor Pro Tem Trujillo continued with the discussion of the Marian Medical Center Foundation recommendation for $250,000 for the hospital expansion.

Councilmember Zacarías commented there was an alternative amount listed in the report in the event Marian Medical Center was unable to receive funding due to the Federal Labor Standards and Prevailing Wage requirements. She asked if that had been resolved.

Grants Administrator Coelho-Hudson replied that HUD had recommended this project be funded under the Economic Development activities rather than as a construction activity because the project will provide jobs. At least one job per each $10,000 in funding would need to be provided or 25 new jobs for this project. Marian Medical Center agreed to meet that requirement.

Resolution No. 2007-48 was adopted on motion by Councilmember Orach, seconded by Councilmember Zacarías, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Zacarías and Mayor Pro Tem Trujillo
NOES: None
ABSENT: Mayor Lavagnino
ABSTAIN: None

awarding funding to the following:

Economic Development Program / Marian Medical Center Expansion	$250,000

Resolution No. 2007-48 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE CAPITAL DEVELOPMENT ACTIVITIES UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2007-2008 FEDERAL FUNDING.

Mayor Lavagnino returned to the dais at this time.

HOME Investment Partnership Program

Rodney Fernandez and Bertha Garcia, Cabrillo Economic Development Corporation, gave a brief overview of their organization and the services provided. Even though they were not being recommended for funding this year, they wanted to keep the avenues of communication open with the City and keep the City informed of their activities and their expansion into Santa Barbara County.

Resolution No. 2007-44 was adopted on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

awarding funding to the following:

Block Grants Advisory Committee / Tenant Based Rental Assistance	$130,000
Good Samaritan Shelter, Inc. / Casa De Familia Apartments	$278,201

Resolution No. 2007-44 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE ACTIVITIES UNDER THE HOME INVESTMENT PARTNERSHIPS PROGRAM FOR FISCAL YEAR 2007-2008 FEDERAL FUNDING.

Public Service Activities

Councilmember Zacarías announced that she would have to recuse herself from discussion and vote related to Alliance for Pharmaceutical Access as she had recently been invited to write a grant for them as part of her consulting business. She left the room at this time.

Resolution No. 2007-49 was adopted on motion by Councilmember Trujillo, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: Councilmember Zacarías
ABSTAIN: None

awarding funding to the following:

Alliance for Pharmaceutical Access	$ 6,000

Resolution No. 2007-49 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE PUBLIC SERVICE ACTIVITIES UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2007-2008 FEDERAL FUNDING.

Councilmember Zacarías returned to the dais.

Mayor Lavagnino continued with the remainder of the public service allocations.

Laura Mahajer, Boy Scouts of America, indicated that although the Boy Scouts were not being recommended for funding, she wanted to urge the Council to give priority to youth programs so the youth of the community would have opportunities to make good choices in their lives and become responsible adults.

David Coelho, Catholic Charities, thanked the Block Grants Advisory Committee and Special Projects staff for the wonderful work they do. He thanked the City for meeting problems before they arise and not just after they arise. He talked about the freeze, its affect on the local farm workers and the organizations that came together to help them.

David Jimenez, Central Coast Ministries & Community Service, thanked the City for its continued support of the work they do in the Newlove community with the Oaxacan people.

Fran Forman, Community Action Commission, thanked the Committee and staff for recognizing the importance of this funding to continue the Senior Nutrition Program.

Ashley Payne, Community Partners in Caring, thanked the Committee, the Council, and staff, and indicated they had been able to help 600 homebound seniors last year.

Shannon Rose Chavez, North County Rape Crisis & Child Protection Center, thanked the Committee and Council for recognizing the work her organization and all the non-profit organizations do in the community. She explained how they work with the Police Departments to help victims of rape.

Buck Derrington, Pacific Pride Foundation, indicated they provided services for people living with HIV and AIDS. He thanked the Committee and the City for its continued support.

Kathleen Karle, Peoples Self Help Housing, stated they were a housing provider and had partnered with the City before on several projects. She explained that the funding they had requested was a housing support program to help keep people in their homes. She expressed concern that their program had not been adequately explained to the Committee as only two Committee members conducted the site visit, and one of those did not attend the Committee deliberation meeting.

Hearing no further requests to speak, Mayor Lavagnino closed the public hearing.

Councilmember Zacarías stated she knew from experience how difficult it was for the non-profit agencies to raise money. She said she wished there was a way for the City to find more money to give to the non-profit organizations. She talked about the Family Service Agency who provide the 211 telephone helpline, and said she would have liked to see funding provided for that. However, she supported the recommendations of the Block Grants Advisory Committee.

Councilmember Trujillo indicated he also agreed with the recommendations of the Committee. He suggested the guidelines for funding be reviewed before the next funding cycle and that more money be provided for youth programs like the Boy Scouts of America and the Boys and Girls Club. He said he would like to see the Committee have more leeway. He thanked the Committee for all its work.

Mayor Lavagnino stated he thought every member of the Council would like to be able to provide more money to the non-profit agencies. He suggested the Council and Block

Grants Advisory Committee hold a joint meeting in the future to revisit the priorities so the same organizations were not funded year after year while new programs were excluded.

Councilmember Patino agreed that a joint meeting with the Committee to look at the priorities was a good idea. She said the City had been providing funding for 32 years, and some of the non-profit agencies had been funded for 32 years. She said there needed to be more for the children to give them opportunities. She said she was glad the non-profits were able to do as much as they did with the available funding, but more needed to be done for the youth of the community. She indicated that 56 percent of the homes in Santa Maria were owner occupied and 44 percent were tenant occupied compared to other cities where the percentage of owner occupied homes was much higher. She also thanked the Committee.

Councilmember Orach agreed it was a good idea to look at the priorities again. He thanked the Block Grants Advisory Committee for their work and all the time they give. It was a tremendous burden on their families and on the Committee members. He explained that the Special Projects Division monitors these funds and works with the non-profit agencies all year long.

Councilmember Zacarías asked that the Recreation and Parks Department be included in discussions related to youth program funding.

Resolution No. 2007-45 was adopted on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following vote:

AYES:	Councilmembers Orach, Patino, Trujillo, Zacarías and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

awarding funding to the following:

Alzheimer's Association	$ 4,346
Catholic Charities	$20,000
Central Coast Ministries	$ 5,000
City of Santa Maria/Families For the First Decade Project	$10,000
Community Action Commission/Senior Nutrition	$ 5,000
Community Partners in Caring/Faith in Action Volunteer Program	$ 7,500
Council on Alcoholism & Drug Abuse / Teen Court	$5,000
Domestic Violence Solutions/Emergency Shelter	$ 7,500
Foodbank of Santa Barbara County/Brown Bag Program	$ 7,500
Good Samaritan Shelter	$20,000
Independent Living Resource Center/Deaf Outreach	$ 5,350
Legal Aid Foundation of Santa Barbara County	$15,000
North County Rape Crisis & Child Protection Center	$ 7,500
Pacific Pride Foundation	$ 5,000
Santa Maria Independent Living Environment (SMILE)	$11,889
Santa Maria Organization of Transportation Helpers/Prenatal	$ 1,493
Santa Maria Organization of Transportation Helpers/Senior Transportation	$ 5,000
Santa Maria Valley FISH Meals On Wheels	$11,500
Santa Maria Valley Youth and Family Center	$ 5,000
Sisters of St. Francis/Marian Residence Lifeline	$10,000
The Salvation Army	$20,000

Resolution No. 2007-45 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE PUBLIC SERVICE ACTIVITIES UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2007-2008 FEDERAL FUNDING.

URBAN WATER MANAGEMENT PLAN UPDATE

Director of Utilities Sweet gave the staff report. The State of California enacted Assembly Bill 797 (AB 797), also known as the Urban Water Management Plan Act, Water Code Section 10610 et seq. This called for medium and large urban water purveyors, defined as those serving 3,000 or more customers or providing at least 3,000 acre-feet of water per year (AFY), to prepare and adopt an Urban Water Management Plan (UWMP). The intent of the legislation was to ensure that all urban water purveyors prepare a plan to provide sufficient water resources for their service areas. The act further required that the UWMP be updated every five years in order to reassess and add to the previously-completed plan and updates. The first City UWMP was adopted in June 1988. Council adopted updates in 1991, 1996, and 2000 according to the law. The development of the plan for this cycle was delayed to include information developed through the groundwater litigation. To present the UWMP and gather input from the community, a workshop was held on March 22, 2007. The UWMP 2005 Update fulfills the City's obligation to update the plan at least once every five years. It includes a historical review of population, water usage, and water quality trends. Revised projections of population growth and water demand are also included in the update. The roles of State water and groundwater in the future water management strategy are presented. Water conservation efforts are also reviewed. He indicated that they had received a written request to adjust one of the maps, and that had been done. Additionally, two comments were received at the public workshop which would be included in the final document.

Mayor Lavagnino stated in the worst case scenario, the City would not have a problem with quantity of water, the problem would be quality because of total dissolved solids. Between now and buildout, the recommendation would be for the City to pick up another 5,000 acre of feet of State water to blend with the ground water to keep the level of solids down under 500 ppm.

Councilmember Orach stated he thought one of the main selling points for purchasing State water was the reduction in dissolved solids which plummeted after the City started using State water.

Director Sweet indicated that the City's average wells run about 800 to 900 ppm, but at times can go as high as 1,200 ppm.

Councilmember Orach indicated that the other benefit of State water was the reduction in salt at the Wastewater Treatment Plant because people no longer need water softeners.

Councilmember Zacarías stated it was mentioned that 8,909 acre feet of State water goes through into the groundwater and becomes available for the City to sell. She asked what kind of revenue that would generate.

Director Sweet replied that the standard going rate for water was $25,200 per acre foot for selling the right to that water for a period of time, usually 99 years. One acre foot would serve two houses. For 1,000 acre feet it would be about $25 million.

Councilmember Zacarías asked about the North Hills project and the adjustment to the map.

Director Sweet explained there was a map in the Urban Water Management Plan that showed possible service areas. They were not necessarily areas that would be served by the City. They were just possibilities. The owners of the North Hills property had requested that their property be shown correctly, and that change was made to the map. The North Hills property is located across from the newly purchased Los Flores Ranch property.

Mayor Lavagnino opened the public hearing.

Laurie Tamura, Urban Planning Concepts, said she read the Plan from cover to cover and was impressed with the City's forward-thinking in purchasing State water as a

resource for the future. She hoped the people who questioned State water would take the opportunity to read the document and learn about the history.

Joan Leon, Santa Maria Community Coalition, stated the Water Plan set goals for five years and projects ahead to the year 2030. The City currently has 21,204 water accounts using 12,000 plus acre feet of water with growth projected to be 1.4 percent a year. There is plenty of water to plan for what is in the City. She referenced the map that showed the outlying areas that could be served by the City, and asked if the City had a Sphere of Influence or Urban Reserve Lines that would limit where the City could provide services.

Director Sweet emphasized that the outlining areas shown on the map were not areas the City necessarily would serve with water. Staff was just providing the opportunity if the Council chose to serve those areas in the future. The City would have about a 25,000 acre foot surplus asset that could be used to serve those areas. He said the City would be supplying the rights to utilize groundwater, not providing the service. The City would be selling the rights to that groundwater.

Joan Leon asked where the revenue for the sale of that surplus water went.

Director Sweet explained there were a number of ways that could occur. The actual income from the sale of water at this point wasn't very much. How that revenue was spent would be a policy decision of the City Council.

Joan Leon asked who would pay to buy the additional State water; and if there was a dry year with less yield, what would the City do.

Director Sweet replied if the City was to acquire 5,000 acre feet of additional supplemental State water for future development, then future development or future water purveyors would pay for that.

Toru Miyoshi stated when he was on the City Council they talked about replacing the groundwater because of the quality. The intent was to purchase State water to improve the water quality with an additional 4,500 acre feet to accommodate future growth in Santa Maria. He said this Plan seemed to accommodate Santa Maria becoming a water company to sell water to whoever wanted to buy. When State water was approved and the additional 4,500 acre feet purchased, new connections were supposed pay and help alleviate the water costs to the water consumers. He said in his opinion to use water revenues for other purposes was irresponsible. He said initially he thought the farmers lawsuit was irresponsible; but now with the City planning to sell groundwater to other agencies, he was supportive of the farmers lawsuit. Of the State water entitlement, at one time it was projected that the State water project could only deliver 60 percent of that. For the City to become a water company and sell water to other agencies was not the purpose of City government and could result in more lawsuits.

Director Sweet explained that the rights to the groundwater, in the adjudication of the lawsuit, could be transferred to other areas within the Valley.

Mr. Miyoshi asked how much of the water would be available for sale to the other entities.

Director Sweet explained that was a policy decision of the City Council. He said what was in the report was that there would be approximately 25,000 acre feet of water that the City had as an asset that would not be utilized by the year 2030.

Mr. Miyoshi asked where the proceeds from the sale of that water were going and about the $1 million for business loans.

Councilmember Zacarías stated the issue of how the revenue was spent was policy direction that should come from the City Council. To give that conversation sufficient time, it needed to be a separate item and not part of the Urban Water Management Plan

discussion. She said she would encourage that conversation to take place at another City Council meeting without impeding the action on the Urban Water Management Plan.

City Manager Ness explained that staff had gotten direction from the City Council for the sale of surplus water. That would not be possible without the results of the litigation. A Councilmember asked that $1 million from the sale of surplus of water be earmarked for a revolving loan fund. The money will be loaned out to businesses that create jobs in the City. That money will be paid back over time with interest into a revolving fund. Ultimately, the money could be taken out of that revolving fund and provided back to the Water fund. It is a temporary use of the funds. The City Council made the decision to direct staff to pursue that revolving loan fund. That is the only time the Council has made a decision regarding the use of the funds from the sale of surplus water. Any revenue from the sale of surplus water would be directed back to the Water fund which helps the City prevent the increase in water rates.

Hearing no further requests to speak, Mayor Lavagnino closed the public hearing.

Councilmember Trujillo stated he represented the City and was the Chairperson of the Central Coast Water Authority, and the City of Santa Maria was the envy of many cities in the State because of the water that the City had. The previous City Council who purchased State water did a real service to the citizens of the City. Five or ten years from now, it will be the City Council that will be empowered to allocate that revenue as it sees fit in terms of what the needs of the community are at that time and in the future.

Councilmember Orach stated Mr. Miyoshi was on the Council with him at the time the issue of State water was discussed. The City was being "hammered" by the State for its poor water quality. The residents of the City no longer need water softeners or bottled water, they don't have hard water deposits on their showers or toilets or have to replace their water heaters because of State water. He explained that because numerous agencies opted out of the State water contract, the cost of building the pipeline and infrastructure for Santa Maria was much greater. Twenty years ago the City Council made the smartest move ever by buying State water.

Resolution No. 2007-46 was adopted approving the update to the Urban Water Management Plan on motion by Councilmember Patino, seconded by Councilmember Orach, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2007-46 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AND ADOPTING THE URBAN WATER MANAGEMENT PLAN 2005 UPDATE.

MEASURE "D" PROGRAM OF PROJECTS

Director of Public Works/City Engineer Whitehead gave the staff report. In 1989, the voters approved the Santa Barbara Improvement Program Ordinance and Expenditure Plan known as "Measure D." In compliance with the ordinance, the City of Santa Maria initially held a public hearing and adopted a Five-Year Program of Projects funded by Measure D revenues. Typical authorization is required for five years. Unfortunately, Measure D is scheduled to expire in 2010. Therefore, this year the Local Program of Projects will only be for three years. An update to the Local Program of Projects requires annual submittals. The Three-Year Local Program of Projects lists proposed projects that comply with the requirements of the ordinance and allocates the funds to Street Maintenance and Various Improvements, including chip seals, overlays and reconstructions of street surfaces. The primary goal of the City roadway funding effort is maintenance of the existing street system. Transit funds are estimated at $48,021 per year, but are not shown on the Program of Projects as these funds are from the regional paratransit funds. The allocation for the City of Santa Maria is estimated to be approximately $5 million next year and $15.2 million over the next three years.

Councilmember Zacarías asked about the handicap ramps being installed on College Drive and whether they would be done on the west side of town as well. She asked if that type of work was part of the Measure D program of projects.

Director Whitehead explained that it was work being accomplished by the City's Streets crews and funded with Measure D and Gas Tax revenues. Staff put together a program that tried to address transit corridors so that people who are transit dependent would be able to utilize the transit system more easily because of the handicap ramps.

Mayor Lavagnino opened the public hearing.

Vibiana Saavedra stated she thought this plan was very vague. Measure D had certain guidelines for how the money was to be spent. A certain percentage was to be spent on road maintenance and development of roads, and a certain percentage was to go to alternative transportation. She said this did not tell her how the money was being allocated, and she didn't see anything for transit. She indicated there was tremendous need in the City to upgrade the transit system. There were areas without bus shelters, areas that needed maintenance and better lighting. She suggested the approval be postponed until something more specific was presented.

City Manager Ness explained that the details of where the Measure D money and other roads and streets projects money was spent was included in the City's budget. Staff was not asking the Council to approve a budget for spending Measure D money at this meeting. This was just a plan and the public hearing required by SBCAG before submitting the plan to them. Director Whitehead, as in past years, was presenting a plan that shows that all the City's Measure D money was being spent on maintenance projects. It has been that way for many years. It is the City's biennial budget document and the Capital Projects portion of that budget that gives the detail of how that money will be spent.

Councilmember Zacarías asked if the 70 percent of the Measure D funds that could be used to maintain, reconstruct, or improve local roads, bikeways and provide public transit, is 100 percent being used for road maintenance.

City Manager Ness replied that the entire 70 percent coming to the City of Santa Maria, which is about $5 million, is proposed to be spent on street maintenance projects including chip seal and overlays. None of the Measure D money is proposed to be spent on public transit, but a significant portion of the City's Transportation Development Act funds are spent on public transit.

Deborah Brasket, SBCAN, said they had serious concerns about the proposed work projects for the 70 percent Measure D funding. While the funding is designated to include the constructing, maintaining, and improving of local bikeways and safe school routes, and providing support to public transportation, none of those things are included in the project description. With Santa Maria growing as fast as it is, some of the money needs to be put into increasing the bus routes along the main thoroughfares, providing bus shelters, surveying not only the bus users, but also those not currently using the bus system, extending safe bikeways and safe school routes, and increasing the City's transportation staff.

Director Whitehead stated the City receives an allocation from the Transportation Development Act (TDA) program for public transit. If there is a portion that is not used for transit, it can be used for local streets and roads. Transportation Development Act funds are State funds. There are also additional federal funding sources for transit. The City is very active in securing grant funding for transportation purposes.

Deborah Brasket asked how much of the Transportation Development Act funds were diverted to streets and roads and how much went toward transit.

Director Whitehead replied that approximately $1.2 million of the $4 million allocation was being used for streets and roads. That would change when the City began the

design and construction of the new transit center, then all TDA money will be used for transit.

Ron Faas read several sections from the staff report and indicated that it provided an expectation that some of the money would be spent on transit.

Hearing no further requests to speak, the public hearing was closed.

Resolution No. 2007-47 was adopted approving the Measure D Three Year Program of Projects on motion by Councilmember Trujillo, seconded by Councilmember Orach, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: Councilmember Zacarías
ABSENT: None
ABSTAIN: None

Resolution No. 2007-47 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE MEASURE "D" THREE-YEAR PROGRAM OF PROJECTS FOR FISCAL YEARS 2007-08 TO 2009-10.

CITY MANAGER'S REPORT

City Manager Ness reported on items for the April 17, 2007, City Council meeting including three proclamations and commendations, two public hearings for the Annual Weed Abatement Program and a Zoning Text Amendment related to height limits in the C-2 Zoning District, amendments to the Landscape and Irrigation Standards, amended guidelines for the Commercial Façade Program, and three Call for Bids for three road projects.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Trujillo stated when the City Council makes comments and disagrees with members of the public, it is not Council's intention to impugn anyone's character.

Councilmember Patino reported that on March 23rd, she attended the Grand Opening of the Allan Hancock College Academic Resource Center/Library. On March 24th, she attended the Cornerstone Dedication at the Library with the Masons. On March 27th, she was a judge for a talent show at the Boys and Girls Club. On March 29th, Dr. Meg Meeker spoke at the high schools about STDs. On March 30th, she attended the Santa Maria Arts Council event at the Town Center Mall. On April 1st, she attended the Marching to Sunday School event at the Santa Maria Apostolic Church.

Mayor Lavagnino also reported on the Marching to Sunday School event where there were over 300 young children. They presented the City with a beautiful plaque that was done with the children's hands in paint called "Hands to Help the Community." He also announced that Sister Janet Corcoran, one of the City's great citizens and a Recreation and Parks Commissioner, was not feeling well. He asked everyone to pray for her. He said he was at Bricks the other day, where he goes every morning for breakfast, and was told his breakfast had been paid for. He learned that a young boy had asked his grandfather if they could pay for the Mayor's breakfast.

Councilmember Zacarías commented that she had been reporting at the Council meetings about the impact of the freeze on the local farm worker community. It was estimated that thousands of families were not able to sustain themselves until the start of the strawberry season. The President declared a federal disaster for the freeze counties which included Santa Barbara County. This allowed FEMA personnel to come and investigate the impact of the freeze on the community. These representatives found that there was a very intense and concentrated need particularly in certain neighborhoods. What they found was that there were cracks in the system and there wasn't the coordination that was needed. The City came together as a group with the Director to talk about the commitment to work together so it didn't happen again. They agreed to participate in the development of a VOAD, Voluntary Organization Activated in Disasters, which would be a County-wide group convened by the Food Bank, the Red

Cross, and the County Office of Emergency Services. She asked that a letter be authored to the FEMA representatives thanking them for their help.

Councilmember Zacarías stated there were non-profit agencies that provide utility funds for families who qualify. The question was asked of her if the City had a policy of allowing there to be a hold placed on shutting off water when the family had qualified for the funds but had not actually received the funds. She asked that the Council be informed of what the current policy was.

Councilmember Orach apologized to Toru Miyoshi if Mr. Miyoshi was offended by his comments. He did not intend to impugn or cast aspirations on Mr. Miyoshi's character.

CLOSED SESSION
Mayor Lavagnino announced that the Council would not be recessing to Closed Session for Conference with Labor Negotiator pursuant to Section 54957.6 of the Government Code; Agency representative: Assistant City Manager; Employee organization: Santa Maria Police Officers Association (SMPOA).

ADJOURNMENT
There being no further business to come before the City Council at this time, the meeting was declared adjourned at 9:50 p.m. by order of Mayor Lavagnino.

APPROVED

4-17-07
Date

Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

ATTEST

Chief Deputy City Clerk

Mayor of the City of Santa Maria